# PART IV

## SECTION 1-B

## CENTRAL ACTS AND ORDINANCES

LAW AND PARLIAMENTARY AFFAIRS SECRETARIAT

Notification No. LAW 47 LCA 78.
*Bangalore, Dated 12th September 1978.*

Ordered that the Taxation Laws (Amendment) Act, 1978 (No. 29 of 1978) published in Part II, Section 1 of the Gazette of India Extraordinary dated 7th August 78 be republished in the *Karnataka Gazette* for general information.

By Order and in the name of the Governor of Karnataka.

A. NEELAKANTARYA,
*Under Secretary to Government,*
21 *Department of Law and Parly. Affairs.*

## MINISTRY OF LAW, JUSTICE AND COMPANY AFFAIRS
(Legislative Department)

*New Delhi, the 7th August, 1978/Sravana 16, 1900 (Saka)*

The following Act of Parliament received the assent of the President on the 5th August, 1978, and is hereby published for General information :—

THE TAXATION LAWS (AMENDMENT) ACT, 1978
No. 29 OF 1978

[*5th August, 1978*]

An Act further to amend the Income-tax Act, 1961 and the Wealth-tax Act, 1957

Be it enacted by Parliament in the Twenty-ninth Year of the Republic of India as follows :—

1. **Short title and commencement** :—(1) This Act may be called the Taxation Laws (Amendment) Act, 1978.

(2) It shall come into force on the 1st day of April 1979.

2. **Amendment of Act 43 of 1961.**—In the Income-tax Act, 1961,—

(a) in Chapter III, after section 13, the following shall be inserted, namely :—

**Special provision relating to incomes of political parties.**— 13. any income of a political party which is chargeable under the head

"Interest on securities", "In come from house property" or "Income from other sources" or any Income by way of voluntary contributions received by a political party from any person shall not be included in the total income of the previous year of such polltical party:

Provided that—

(a) such political party keeps and maintains such books of account and other documents as would enable the Income-tax Officer to properly deduce its income therefrom ;

(b) in respect of each such voluntary contribution in excess of ten thousand rupees, such political party keeps and maintains a record of such contribution and the name and address of the person who had made such contribution ; and

(c) the accounts of such political party audited by an accountant as defined in the *Explanation* below sub-section (2) of section 288.

*Explanation.*—For the purposes of this section, "political party" means an association or body of individual citizens of India registered with the Election Commission of India as a political party under paragraph 3 of the Election Symbols (Reservation and Allotment) Order, 1968 and includes a political party deemed to be registered with that Commission under the proviso to sub-paragraph (2) of that paragraph.' ;

(b) in section 37,—

(i) after sub-section (2A), the following sub-section shall be inserted, namely :—

" (2B) Notwithstanding anything contained in sub-section (1), no allowance shall be made in respect of expenditure incurred by an assessee on advertisement in any souvenir, brochure, tract, pamphlet or the like published by a political party." ;

(ii) in sub-section (3A) (as directed to be inserted by section 8 of the Finance Act, 1978) (19 of 1978),—

(1) for the words, brackets and figure "the provisions of sub-section (3)", the words brackets, figures and letter "the provisions of sub-section (2B) or sub-section (3)" shall be substituted ;

(2) in the *Explanation*, in clause (a), for the words, brackets and figure "under sub-section (3)", the words, brackets, figures and letter "under sub-section (2B), or sub-section (3), or both" shall be substituted ;

(c) In section 139, after sub-section (4A), the following sub-section shall be inserted, namely :—

"(4B) The chief executive officer (whether such cheif executive officer is known as Secretary or by any other designation) of every

political party shall, if the total income in respect of which the political party is assessable (the total income purpose being computed under this Act without giving effect to the provisions of section 13A) exceeds the maximum amount which is not chargeable to income-tax furnish a return of such income of the previous year in the prescribed form and verified in the prescribed manner and setting forth such other particulars as may be prescribed and all the provisions of this Act, shall, so far as may be, apply as if it were a return required to be furnished under sub-section (1).".

3. **Amendment of Act 27 of 1957.**—In the Wealth-tax Act, 1957 in section 45, after clause (h). the following clause and *Explanation* shall be inserted, namely :—

'(i) any political party.

*Explanation.*—For the purposes of clause (i), "political party" shall have the meaning assigned to it in the *Explanation* to section 13A of the Income-tax Act.'.

S. HARIHARA IYER,
*Secretary to Government of India.*

Notification No. LAW 48 LCA 78

*Bangalore, dated the 12th September 1978*

Ordered that the Maintenance of Internal Security (Repeal) Act. 1978 (No. 27 of 1978) published in Part II, Section 1 of the *Gazette of India, Extraordinary* dated 3rd August 1978 be republished in the *Karnataka Gazette* for general information.

By Order and in the name of the Governor of Karnataka,

A. NEELAKANTARYA,
*Under Secretary to Government,*
*Department af Law and Parly. Affairs.*

GOVERNMENT OF INDIA

**MINISTRY OF LAW, JUSTICE AND COMPANY AFFAIRS**
**(Legislative Department)**

*New Delhi, the 3rd August, 1978/Sravana 12, 1900 (Saka)*

The following Act of Parliament received the assent of the President on the 3rd August, 1978, and is hereby published for general information :—